

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

NOTICE OF MARKET-DOMINANT
PRICE ADJUSTMENT

Docket No. R2017-1

NOTICE OF THE UNITED STATES POSTAL SERVICE
OF FILING OF REVISED PORTIONS OF USPS-LR-R2017-1/NP1
IN RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 6
(November 1, 2016)

The Postal Service hereby gives notice of filing of revised portions of the material indicated below in the **Non-Public Annex** in this proceeding:

USPS-LR-R2017-1/NP1

**FIRST-CLASS MAIL INTERNATIONAL
WORKPAPERS (NONPUBLIC)**

These revisions are in response to the Commission's request in CHIR No. 6. This material contains the workpapers that estimate the revenues for First-Class Mail International resulting from the price change for purposes of the cap calculation of the First-Class Mail class. The revised portions included with this filing are

- Summary of First-Class Mail International Price Changes (Revised November 1, 2016), and
- Inbound CAPCALC-FCMI-R2017-1_REV_110116.xls.

In response to the Commission's request in CHIR No. 6, the revised portions use

- For group 3 countries with projected annual mail flows over 75 tons to the Postal Service in Calendar Year (CY) 2016 and CY 2017, the per item/per kilogram terminal dues rates in Article 30.9 of the Universal Postal Convention (UPU Convention);
- For group 3 countries with projected annual mail flows less than 75 tons to the Postal Service in CY 2016 and CY 2017, the per kilogram terminal dues rates in Table 8 of the workpapers¹;
- For CY 2016, for the countries that joined the target system in CY 2016 and have voluntarily participated in the quality of service link to terminal dues, the U.S. quality of service-linked terminal dues rates in Table 2.2 of IB Circular 108 of July 13, 2015, as well as the per item/per kilogram rates for projected annual flows above 75 tons, and the per kilogram rate for projected annual flows below 75 tons;
- For CY 2017, for the countries that joined the target system in CY 2016 and have voluntarily participated in the quality of service link to terminal dues, the quality of service-linked terminal dues rates for each country in Table 1.3 of IB Circular 107 of July 4, 2016, as well as the per item/per kilogram rates for projected annual flows above 75 tons, and the projected annual per kilogram rate for flows below 75 tons.

¹ Table 8 uses the per kilogram rates for transition countries outlined in Article 31.4 of the UPU Convention.

The materials include commercially sensitive information, such as outbound and inbound country-specific volume and revenue data, certain non-published rates, and underlying calculations related to price adjustments. The files associated with these calculations are accordingly submitted in the nonpublic annex in this proceeding. The Postal Service incorporates by reference the application for non-public treatment that it included as Attachment 1 with its filing of USPS-LR-R2017-1/NP1.²

Respectfully submitted,

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² Notice of the United States Postal Service of Filing of USPS-LR-R2017-1/NP1, Docket No. R2017-1, October 12, 2016.